



Domestic Market News

- **IEA** trimmed for the third straight month its 2024 oil demand forecast, as China's slowdown in consumption accelerates the global outlook. 2024 oil demand to grow by 862K bpd, from 903K bpd earlier. (Source: Argaam)
- **KSA** and Egypt signed an agreement to encourage and protect mutual investments between KSA and Egypt. (Source: Argaam)
- **Edrat** was awarded SAR 27.9mn project by Digital Centers. The financial impact to be reflected from Q4-24. (Source: Tadawul)
- **Waja** intends to issue SAR denominated sukuk worth SAR 70mn, for company's public purposes. (Source: Tadawul)
- **Petro Rabigh** signed MoU with Jia Hua Chemicals to explore establishing a plant for advanced products used in the construction and auto sectors in Rabigh. (Source: Tadawul)
- **Solutions** signed SAR 309.7mn contract with STC to establish and develop the internet and communications network. Financial impact to appear in Q1-25. (Source: Tadawul)
- **Sisco Holding** adopted new logo and visual identity in line with the new name, reflecting its strategic direction as an investment holding company. (Source: Tadawul)

Earnings update (Net Profit) (SAR mn)

| Company | Q3-24 | Q3-23 | Y/Y % | Q2-24 | Q/Q % |
|---------|-------|-------|--------|-------|--------|
| Albaha | -0.3 | 1.4 | -121.8 | 2.5 | -112.0 |

Market Analysis

The **Saudi Stock Exchange** increased 0.4% to 12,001.6. The value traded stood at SAR 7.3bn (up 0.5% over the previous day), while advance-decline ratio stood at 144/81. The parallel market index increased 1.9% to 25,919.3 points. The value traded stood at SAR 102.7mn (down 4.6% over the previous day). Most of the sectors in the main market ended in green. Insurance and Capital Goods (up 2.0% and 1.6%, respectively), while Pharma & Bio Tech and Utilities (down 0.9% and 0.8%, respectively) declined the most.

Top Gainers

| Company | Price | Change% |
|---------------|-------|---------|
| CHUBB | 45.00 | 8.2 |
| SAPTCO | 23.12 | 6.1 |
| CENOMI RETAIL | 13.64 | 5.7 |
| WALAA | 22.90 | 5.5 |
| SFICO | 27.70 | 5.5 |

Top Losers

| Company | Price | Change% |
|----------------|--------|---------|
| ALBAHA | 0.32 | -8.6 |
| ALMAJED OUD | 162.80 | -2.6 |
| ZOUJAJ | 52.00 | -2.6 |
| FITAIHI GROUP | 4.21 | -2.6 |
| JAMJOOM PHARMA | 171.60 | -1.9 |

Saudi Stock Exchange

| Index | Closing | High | Low | Daily Change% | YTD % |
|-------|---------|--------|--------|---------------|-------|
| TASI | 12,002 | 12,014 | 11,936 | 0.4 | (0.3) |
| NomuC | 25,919 | 25,919 | 25,406 | 1.9 | 5.7 |

TASI movement during session



TASI Ratios

| | |
|----------------------|------|
| P/E* (x) | 26.2 |
| Price-to-Book (x) | 2.5 |
| Dividend Yield (%) | 2.7 |
| Return on Equity (%) | 19.3 |

*Source: Argaam (Excluding Aramco)

| Index | Close | Daily Change% | YTD % | PE (TTM) |
|----------------------------|--------|---------------|-------|----------|
| Energy | 5,154 | -0.1 | -17.3 | 15.4 |
| Materials | 5,811 | 0.4 | -9.1 | High |
| Capital Goods | 13,620 | 1.6 | 35.1 | 27.6 |
| Commercial Service | 4,940 | 1.6 | -11.4 | 37.9 |
| Transportation | 7,517 | 1.2 | 18.3 | 34.9 |
| Consumer Durables | 5,375 | -0.1 | 7.9 | Neg |
| Consumer Services | 5,235 | 1.0 | 5.2 | 40.8 |
| Media | 35,135 | 1.4 | 43.1 | High |
| Consumer Discretionary Ret | 8,087 | 0.8 | -6.1 | 23 |
| Consumer Staples Ret | 9,357 | 0.7 | -4.3 | 23.4 |
| Food & Beverages | 6,167 | 0.9 | 9.6 | 29.6 |
| Healthcare | 12,601 | 0.3 | 3.1 | 41.9 |
| Pharma & Bio Tech | 5,340 | -0.9 | 9.7 | 45.2 |
| Banks | 11,517 | 0.4 | -6.3 | 12.5 |
| Financial Services | 8,240 | 0.0 | 22.4 | 32.8 |
| Insurance | 10,267 | 2.0 | 19.5 | 24.6 |
| Telecom | 8,186 | 1.1 | 5.4 | 15.9 |
| Utilities | 14,705 | -0.8 | 48.2 | 30.4 |
| REITs | 3,238 | -0.5 | -11.7 | 26.9 |
| Real Estate | 3,793 | 0.5 | 24.1 | 46.1 |
| Software & Services | 80,103 | -0.3 | 16.8 | 42.2 |

Average Index Value

| Average days 5 | Average days 10 | Average days 20 | Average value traded for October (bn) |
|----------------|-----------------|-----------------|---------------------------------------|
| 11,990 | 11,966 | 12,071 | 6.98 |

Market Statistics

| | Value Traded (SAR bn) | Volumes (mn shares) | No. of Trades ('000) |
|---------------|-----------------------|---------------------|----------------------|
| Current Week | 20.4 | 1,550.10 | 1,545.50 |
| Previous week | 34.7 | 3,667.20 | 2,609.60 |

Top Weighted Companies

| Company | Price | Change% |
|--------------|--------|---------|
| Saudi Aramco | 27.15 | -0.2 |
| Al Rajhi | 85.00 | 0.0 |
| ACWA POWER | 437.00 | -0.9 |
| SNB | 35.00 | 1.4 |
| STC | 43.15 | 0.9 |





International Market News

- The **New York Fed's** general business conditions index fell sharply to -11.9 in October from 11.5 in September, signaling contraction. Despite this, optimism about the six-month outlook rose, with the future business activity index reaching a multi-year high of 38.7 in October, up from 30.6 in September. (Source: Reuters)
- Eurozone's** industrial output grew by 1.8% in August, reversing a 0.5% decline in July, driven by a rebound in capital and durable consumer goods. Despite being the strongest increase in over a year, the reading is unlikely to signal a sustained recovery. (Source: RTT News)
- UK** wage growth softened to the lowest in more than two years in the three months to August, adding support to expectations that the central bank will cut interest rates further at the next meeting. The average earnings excluding bonus increased 4.9% Y/Y. This was the slowest rise since June 2022 but matched expectations. (Source: CNBC)
- German** economic confidence strengthened for the first time four months in October as financial market experts expect more interest rate cuts amid slowing inflation. The Economic Sentiment Index rose notably to 13.1 from 3.6 in September. The score was above the expected level of 10.2. (Source: RTT News)
- The value of core machine orders in **Japan** was down a seasonally adjusted 1.9% M/M in August and missed forecasts for a 0.1% decline. Total value of machinery orders received by 280 manufacturers operating in Japan decreased by 3.0% M/M. (Source: Reuters)
- Oil prices** fell 4.1% due to a weaker demand outlook and easing fears of supply disruption, as Israel announced of not striking Iranian nuclear and oil sites.
- Gold prices** gained 0.4% amid falling US bond yields.

Forex / Currency

| Currency / USD | Close | Daily Change% | MTD % | YTD % |
|----------------|--------|---------------|-------|-------|
| Dollar Index | 103.26 | -0.0 | 2.5 | 1.9 |
| Euro | 1.09 | -0.1 | -2.2 | -1.3 |
| Japanese Yen | 149.20 | -0.4 | 3.9 | 5.8 |
| Sterling Pound | 1.31 | 0.1 | -2.3 | 2.7 |
| Chinese Yuan | 7.14 | 0.6 | 1.8 | 0.1 |
| Indian Rupee | 84.04 | -0.0 | 0.3 | 1.0 |
| UAE Dirham | 3.67 | 0.0 | 0.0 | 0.0 |
| Qatari Rial | 3.65 | 0.0 | -0.0 | 0.0 |
| Kuwaiti Dinar | 0.31 | -0.0 | 0.5 | -0.2 |
| Omani Rial | 0.38 | 0.0 | -0.0 | -0.0 |
| Bahraini Dinar | 0.38 | 0.0 | 0.0 | 0.0 |
| Egyptian Pound | 48.55 | -0.1 | 0.5 | 57.1 |

Corporate Calendar

| Date | Company | Event |
|--------|------------------|----------------------------|
| 16-Oct | MESC | EGM |
| 16-Oct | ARABIAN DRILLING | EGM |
| 16-Oct | QUARA | EGM |
| 17-Oct | TAPRCO | EGM |
| 17-Oct | NETWORKERS | Cash Dividend Distribution |
| 20-Oct | AMAK | Cash Dividend Distribution |

EGM: Extra Ordinary Meeting*

OGM: Ordinary General Meeting*

Regional Markets

| Market | Close | Daily Change% | MTD % | YTD % | P/E |
|-----------------|--------|---------------|-------|-------|------|
| Dubai (DFM) | 4,470 | 0.3 | -0.8 | 10.1 | 8.6 |
| Abu Dhabi (ADX) | 9,283 | -0.2 | -1.5 | -3.1 | 16.9 |
| Kuwait (KSE) | 7,621 | 0.7 | -1.1 | 1.9 | 22.3 |
| Qatar (QE) | 10,642 | 1.6 | 0.3 | -1.7 | 11.8 |
| Oman (MSM) | 4,802 | -0.0 | 2.0 | 6.4 | 11.4 |
| Bahrain (BSE) | 2,000 | 0.3 | -0.6 | 1.5 | 7.8 |
| Egypt (EGX30) | 30,584 | 1.0 | -3.2 | 22.9 | 8.0 |

International Markets

| Index | Close | Daily Change% | MTD % | YTD % | P/E |
|--------------------------|---------|---------------|-------|-------|------|
| Dow Jones | 42,740 | -0.8 | 1.0 | 13.4 | 23.2 |
| Nasdaq | 20,160 | -1.4 | 0.5 | 19.8 | 34.3 |
| S&P 500 | 5,815 | -0.8 | 0.9 | 21.9 | 26.5 |
| FTSE 100 | 8,249 | -0.5 | 0.1 | 6.7 | 14.6 |
| Germany DAX 30 | 19,486 | -0.1 | 0.8 | 16.3 | 16.2 |
| France CAC 40 | 7,522 | -1.1 | -1.5 | -0.3 | 13.9 |
| Japan Nikkei 225 | 39,911 | 0.8 | 5.3 | 19.3 | 24.0 |
| Brazil IBOVESPA | 131,043 | 0.0 | -0.6 | -2.3 | 9.9 |
| Hong Kong Hang Seng | 20,319 | -3.7 | -3.9 | 19.2 | 10.9 |
| South Korea KOSPI | 2,633 | 0.4 | 1.5 | -0.8 | 13.5 |
| China Shanghai Composite | 3,201 | -2.5 | -4.1 | 7.6 | 15.5 |
| Australia ASX 200 | 8,318 | 0.8 | 0.6 | 9.6 | 21.3 |
| India Sensex | 81,820 | -0.2 | -2.9 | 13.3 | 24.9 |
| MSCI EM | 1,150 | -0.9 | -1.8 | 12.3 | 16.1 |
| MSCI World | 3,728 | -0.7 | 0.1 | 17.6 | 23.3 |

Commodity Markets

| Commodity | Price | Daily Change% | MTD % | YTD % |
|---------------------------|----------|---------------|-------|-------|
| Arab Light Crude (\$/bbl) | 75.21 | -4.1 | 0.7 | -6.5 |
| Brent Crude (\$/bbl) | 74.25 | -4.1 | 3.5 | -3.6 |
| Texas crude (\$/bbl) | 70.58 | -4.4 | 3.5 | -1.5 |
| Natural Gas (\$/mmbtu) | 2.50 | 0.2 | -14.5 | -19.2 |
| Gold (\$/oz) | 2,662.58 | 0.5 | 1.1 | 29.1 |
| Silver (\$/oz) | 31.50 | 1.0 | 1.1 | 32.4 |
| Steel (\$/ton) | 698.00 | 0.0 | -5.0 | -38.5 |
| Iron Ore (CNY/MT) | 787.00 | 0.0 | -0.6 | -24.5 |
| Wheat (\$/bu) | 579.50 | -1.0 | -0.8 | -13.4 |
| Corn (\$/bu) | 401.25 | -1.7 | -5.5 | -20.3 |
| Sugar (\$/lb) | 22.82 | 1.9 | 1.6 | 10.2 |
| SMP* (EUR/MT) | 2,575.00 | 0.9 | -1.9 | -0.1 |

*SMP: Skimmed Milk Powder

Interbank Rates

| Region | Rate* | Daily Change(bps) | MTD (bps) | YTD (bps) |
|------------------|-------|-------------------|-----------|-----------|
| KSA (SAIBOR 1M) | 5.52 | -3.8 | 1.2 | -39.7 |
| KSA (SAIBOR 3M) | 5.62 | 0.8 | 4.4 | -61.6 |
| KSA (SAIBOR 6M) | 5.40 | 0.6 | -8.9 | -67.8 |
| KSA (SAIBOR 12M) | 5.17 | 1.6 | -9.2 | -82.2 |
| USA (SOFR 3M) | 4.65 | 0.0 | 5.5 | -68.4 |
| UAE (EIBOR 3M) | 4.65 | 1.8 | -0.4 | -67.6 |

Data Sources: Tadawul, Bloomberg, Reuters

Closes as of Oct 15, 2024





Technical observations

| | |
|-------------------|-----------------|
| Index | TASI |
| Ticker | SASEIDX Index |
| Last Close | 11,960 |
| Short-term view | Cautious |
| 52 weeks high/low | 12,883 – 10,262 |

Market data

| | |
|-------------------------------|----------|
| Exchange Market Cap. (SAR bn) | 10,039.8 |
| Value (SAR mn) | 7,341.8 |
| Volume (mn) | 422.1 |
| Number of Transactions | 542,697 |
| Market Breadth | 144 : 81 |

Key statistics

| | |
|---------------------|---------|
| 1D return % | -0.91% |
| MTD return % | -2.18% |
| QTD return | -2.18% |
| YTD return | 0.06% |
| ADT vol. 3M* (mn) | 434.8 |
| ADT val. 3M (SARmn) | 7,028.2 |

*ADT stands for Average Daily Traded

TASI market commentary

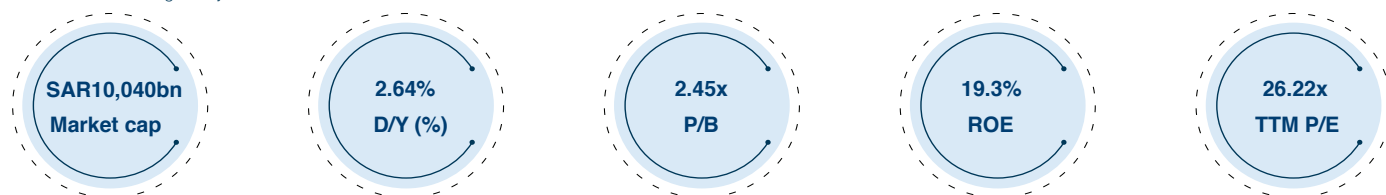
- TASI experienced a rise on Tuesday; primarily driven by the performance of the Telecommunication services sector (up 1.08%) and the Banks sector (up 0.41%). At close, the Saudi market ended the day with a change of 0.35% at 12,002. In terms of activity, total volumes and value traded were ~422mn and ~SAR 7.3bn, respectively. The advance-decline ratio came in at 144/81.

Technical outlook

- TASI closed the last session near 12,002, registering a gain of 42 points. The index experienced an intervening temporary buying attitude amidst the prevailing profit-booking sentiment following a retest of the lower boundary of the Rising Wedge pattern around 12,080. TASI exhibited a small-bodied green candlestick, reflecting a temporary positive rebound within the predominant selling attitude. Additionally, the RSI indicator continues hovering below its 50 level, indicating weakening momentum. TASI has an immediate support level of around 11,925. If breached, the subsequent support levels would be around 11,835 – 11,765. On the other hand, an immediate resistance level is observed around 12,080. If successfully surpassed, the subsequent resistance levels to watch for would be around 12,150 – 12,225. Traders are advised to stay cautious and closely monitor the significant support level of the prior trough near 11,765, as breaching this level could trigger additional selling pressure.

Key price levels

| S3 | S2 | S1 | Pivot | R1 | R2 | R3 |
|--------|--------|--------|--------|--------|--------|--------|
| 11,765 | 11,835 | 11,925 | 11,965 | 12,080 | 12,150 | 12,225 |



Source: Bloomberg, Argaam

TASI daily chart

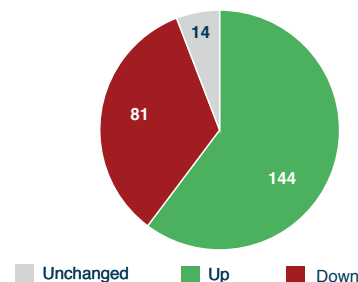


Source: Tradingview, Aljazira Capital

Our view



Market depth



SAUDI MARKET - TOP PICKS FOR THE WEEK

| Code | Company | Close* | Buy range | Sell range | Reward % | Stop loss |
|------|---------|--------|-----------|------------|----------|-----------|
|------|---------|--------|-----------|------------|----------|-----------|

No stocks recommendations due to market volatility

*As of 15th October 2024

Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

Candlestick: A candlestick (candle) is a type of price chart used to display the high, low, opening, and closing prices of a security for the period under consideration.

Support: This is the price level at which demand is strong enough to avoid any further price decline.

Resistance: This is the price level at which supply is strong enough to stop any further price increase.

Pattern/formation: This is a plot of a security's price activity over a certain period that can be used to identify potential trends, reversal of trends, price targets, entry and exit points, etc. There are various formations – such as head & shoulders, triangles, flags, etc.

Simple moving average: A simple moving average is formed by computing the average price of a security over a specific number of periods. Moving averages are based on closing prices.

Relative strength index (RSI): RSI is a momentum indicator that compares a security's price gains to its losses for a predetermined number of periods (generally, 14 periods are used). The RSI attempts to point out how security, in relative terms, is in the overbought/oversold zone.

Moving average convergence/divergence (MACD): MACD is a trading indicator that shows changes in the strength, direction, momentum, and duration of a trend in a stock's price through a collection of three- time series calculated from historical closing prices.

Fibonacci retracements: These are horizontal lines that indicate the expected areas of support/resistance for a security based on a predetermined price movement. These are usually indicated by Fibonacci ratios of 23.6%, 38.2%, 50.0%, 61.8%, and 100% from that movement.

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Head Office: King Fahad Road, P.O. Box: 20438, Riyadh 11455, Saudi Arabia, Tel: 011 2256000 - Fax: 011 2256068